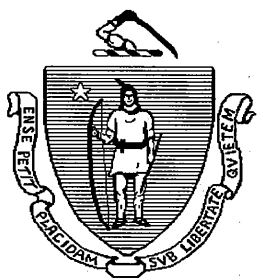


*Jacqueline A. Brown*  
Town Clerk



# The Commonwealth of Massachusetts

## DEPARTMENT OF PUBLIC UTILITIES

### NOTICE OF FILING AND RESCHEDULED PUBLIC HEARINGS

D.P.U. 14-150

February 17, 2015

Petition of NSTAR Gas Company, pursuant to G.L. c. 164, § 94 and 220 C.M.R. § 5.00 et seq., for Approval of a General Increase in Gas Rates and a Revenue Decoupling Mechanism.

On December 17, 2014, NSTAR Gas Company ("NSTAR Gas" or "Company") filed a petition with the Department of Public Utilities ("Department") seeking additional revenues through an increase in rates. The Company's last base distribution rate proceeding was in 2005. Boston Edison Company, Cambridge Electric Light Company, Commonwealth Electric Company, NSTAR Gas Company, D.T.E. 05-85 (2005).

The Department has docketed this matter as D.P.U. 14-150 and has suspended the effective date of the proposed rate increase until November 1, 2015, to investigate the propriety of the Company's request. Pursuant to a settlement approved by the Department in 2012, any new rates approved in the instant proceeding will not take effect until January 1, 2016. See Northeast Utilities/NSTAR Merger, D.P.U. 10-170-B (2012).

In the filing, NSTAR Gas seeks to increase rates to generate \$45.9 million in additional revenues, an 8.6 percent increase over current total operating revenues. The requested rate increase is designed to recover: (1) \$33.9 million in additional revenues through base distribution rates (i.e., a 22.5 percent increase in current distribution revenues); and (2) \$12.0 million in additional revenues through reconciling rate recovery mechanisms.

The Company's requested rate increase includes the recovery of merger-related costs and exogenous costs associated with the Department's Order in NSTAR/Northeast Utilities Merger, D.P.U. 10-170 (2012). The requested rate increase also includes an increase in costs associated with the Company's purchase of liquefied natural gas services from an affiliate, Hopkinton LNG Corp.

Further, as part of the filing, NSTAR Gas sets forth proposals associated with the sale of the Company's appliance business and changes to the operation of its Home Heating Protection Plan business. In addition, the Company proposes, pursuant to Investigation into Rate Structures that will Promote Efficient Deployment of Demand Resources, D.P.U. 07-50-A (2008), to

implement a rate mechanism to decouple its gas revenues from its sales. Additional information regarding NSTAR Gas' proposals can be found in the Company's filing.

The Company's filing provides that if the petition is approved as requested, the proposed rate increase, which would take effect on January 1, 2016, will have the following effects:

- A residential heating customer using 160 therms of gas per month during the Winter season will experience a monthly bill increase of \$25.90 (a 13.1 percent increase in the customer's bill);
- A residential heating customer using 31 therms of gas per month during the Summer season will experience a monthly bill increase of \$8.38 (a 19.6 percent increase in the customer's bill);
- A residential non-heating customer using 14 therms of gas per month during the year will experience a monthly bill increase of \$1.81 (a 6.9 percent increase in the customer's bill);
- A residential low-income heating customer using 159 therms of gas per month during the Winter season will experience a monthly bill increase of \$7.02 (a 4.4 percent increase in the customer's bill);
- A residential low-income heating customer using 33 therms of gas per month during the Summer season will experience a monthly bill increase of \$0.44 (a 1.2 percent increase in the customer's bill); and
- A residential low-income non-heating customer using 14 therms of gas per month during the year will experience a monthly bill decrease of \$0.26 (a 1.2 percent decrease in the customer's bill).

Bill impacts for commercial and industrial customers will vary depending upon their rate classification and level of usage. For specific impacts, please contact the Company as indicated below.

On December 22, 2014, the Department issued a Notice of Filing and Public Hearing and scheduled public hearings in this proceeding in Worcester, Massachusetts for January 28, 2015, and in Boston, Massachusetts for February 9, 2015. These public hearings subsequently were postponed due to inclement weather. In order to receive comment on the Company's filing, the Department has rescheduled these public hearings as follows:

**April 7, 2015**

**Department of Public Utilities  
One South Station, 5<sup>th</sup> Floor  
Boston, Massachusetts 02110  
Time: 7:00 p.m.**

**April 9, 2015**

**Worcester Technical High School**

**1 Skyline Drive**

**Worcester, Massachusetts 01605**

**Time: 7:00 p.m.**

Persons interested in commenting on the Company's filing may appear at the public hearings or may file written comments by the close of business (5:00 p.m.) on April 30, 2015. Written comments should be addressed to: Mark D. Marini, Secretary, Department of Public Utilities, One South Station, 5<sup>th</sup> Floor, Boston, Massachusetts 02110. Receipt by the Department, not mailing, constitutes filing.

In addition to the above filing requirement, one (1) copy of all materials filed with the Department should be sent to Marc J. Tassone, Hearing Officer, Department of Public Utilities, One South Station, 5<sup>th</sup> Floor, Boston, Massachusetts 02110; and one (1) copy of these documents should be sent to the Company's counsel, Cheryl M. Kimball, Keegan Werlin LLP, 265 Franklin Street, Boston, Massachusetts 02110.

Further, in addition to paper filings with the Department, all documents also must be submitted to the Department in electronic format using one of the following methods: (1) by e-mail attachment to [dpu.efiling@state.ma.us](mailto:dpu.efiling@state.ma.us) and the Hearing Officer, [Marc.Tassone@state.ma.us](mailto:Marc.Tassone@state.ma.us); or (2) on a CD-ROM. The text of the e-mail or CD-ROM must specify: (1) the docket number of the proceeding (D.P.U. 14-150); (2) the name of the person or company submitting the filing; and (3) a brief descriptive title of the document. The electronic filing should also include the name, title, and telephone number of a person to contact in the event of questions about the filing. All documents submitted in electronic format will be posted on the Department's website: <http://www.mass.gov/dpu>.

A copy of the Company's filing is available for inspection during regular business hours at the following locations: (1) the Company's offices, One NSTAR Way, Westwood, Massachusetts 02090; (2) the Cambridge Public Library, 449 Broadway, Cambridge, Massachusetts 02138; (3) the Dedham Public Library, 43 Church Street, Dedham, Massachusetts 02026; (4) the New Bedford Free Public Library, 613 Pleasant Street, New Bedford, Massachusetts 02740; (5) the Plymouth Public Library, 132 South Street, Plymouth, Massachusetts 02360; (6) the Worcester Public Library, 3 Salem Street, Worcester, Massachusetts 01608; and (7) the Department's offices, One South Station, 5<sup>th</sup> Floor, Boston, Massachusetts 02110. These filings also are available on the Department's website, <http://www.mass.gov/dpu>.

Any person desiring further information regarding the Company's petition should contact the Company's counsel, Cheryl M. Kimball, Esq. at (617) 951-1400. Any person desiring further information regarding this notice should contact Marc J. Tassone, Hearing Officer, Department of Public Utilities, at (617) 305-3500.